

**Statement
of
John Ashcroft
Attorney General of the United States
before the
United States House of Representatives
Committee on Appropriations
Subcommittee on the Departments of Commerce, Justice, and State,
the Judiciary and Related Agencies**

February 28, 2002

Mr. Chairman and Members of the Subcommittee:

I am both honored and pleased to once again appear before the members of this Subcommittee to present the President's budget request for the Department of Justice. For FY 2003, the President's budget requests \$30.2 billion for the Department of Justice, including \$23.1 billion in discretionary funding and \$7.1 billion for the Department's mandatory and fee-funded accounts. Included in the total amount requested is \$548 million for Civil Service Retirement System and Federal Employees Health Benefits Program costs which are currently funded centrally through the U.S. Office of Personnel Management. The first and overriding priority of this budget supports the top priority of the department: to protect America against acts of terrorism and to bring terrorists to justice. The challenges we face are complex and unprecedented.

The Department's FY 2003 budget seeks \$2 billion for program improvements and ongoing activities funded in the FY 2002 Counterterrorism Supplemental to support our number one priority. Resources are also requested to address several of the Department's other priorities, including: improving management of immigration services and enforcement; enhancing federal detention and incarceration capacity; reducing the availability of illegal drugs and supporting proven programs aimed at reducing drug use; providing services for the Nation's crime victims; addressing civil rights; providing streamlined resources to support state and local law enforcement; and legal representation and defense of U.S. interests.

**Preventing and Combating Terrorism, Including Securing the
Nation's Border**

In response to the heinous attacks on September 11, 2001, the full resources of the Department of Justice, including the Federal Bureau of Investigation, the Immigration and Naturalization Service, the U.S. Attorneys offices, the U.S. Marshals Service, the Bureau of Prisons, the Drug Enforcement Administration and the Office of Justice Programs, were deployed to investigate these crimes and to assist survivors and victim families. In addition, to combat the threat of terrorism, I have directed the Department of Justice, including all 94 U.S. Attorneys' offices and 56 FBI field offices, to begin implementing the USA PATRIOT Act that was passed overwhelmingly by Congress and signed by

President Bush. This offensive against terrorism will enable law enforcement to make use of new powers in intelligence gathering, criminal procedure and immigration violations. With these new provisions, the fight against terrorism will have the full force of the law while protecting Constitutional civil liberties.

The world has changed dramatically since my last appearance before this Subcommittee. You have been instrumental in making sure that our government is poised both to respond to and prevent future terrorist attacks. I appreciate the support of this Subcommittee and that of the Congress in providing the necessary resources required by the Department of Justice to meet the challenges presented by terrorism and to improve the Nation's border security. The Counterterrorism Supplemental appropriation passed this fiscal year provided much needed resources to enable the Department to both prevent future attacks and investigate the terrorist attacks on our country. The FY 2003 budget request that I present to you today builds upon this support and seeks to further enhance the Department's ability to prevent and combat terrorism.

Border Security

Illegal overstays of visitors and others coming temporarily into the United States pose a potential risk to homeland security. Overstays result in approximately 40 percent of individuals remaining in this country illegally. Currently, our Nation does not have a reliable system to track the entry and exit of these individuals in order to determine who may have overstayed. In addition, we do not have sufficient ability to detect, identify and locate short-term visitors who may pose a security risk to the United States. In the wake of September 11, 2001, the need is more urgent than ever to secure the safety of our citizens and our homeland. To secure gaps in our Nation's borders, we are proposing program improvements totaling \$856 million and \$187 million for ongoing activities funded in the FY 2002 Counterterrorism Supplemental appropriation.

In addition, this budget will support an increase of over 2,200 new positions for INS. This request will enable the INS to deploy additional enforcement personnel together with advanced, state-of-the art technology and systems to better prevent illegal entry into the country, target individuals who threaten our safety, and thereby undermine the security of our Nation, and assist with non-citizens entering and exiting the United States. Components of the Border Security initiative include implementing a comprehensive Entry/Exit system, deploying force multiplying equipment, and integrating separate information systems to ensure timely, accurate, and complete enforcement data.

Our FY 2003 budget includes a total of \$380 million, of which \$362 million is new funding, to provide initial funds for a multi-year effort to develop a comprehensive land, sea, and air Entry/Exit system for the United States. The new Entry/Exit system will provide enhanced information technology and upgraded facilities along our Nation's borders. This budget also increases personnel for INS to carry out its enforcement mission. For FY 2003, we are seeking \$141.3 million to hire 570 new Border Patrol agents and for other border security related increases; which would complete the addition of the 5,000 agents authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 by the end of FY 2003. This will increase the number of Border Patrol agents to a record level of more than

11,000 agents, more than double the level in 1993. Specifically, this request includes \$76.3 million to hire, train, and deploy an additional 570 Border Patrol agents, \$25 million to re-deploy approximately 285 Border Patrol agents to the Northern Border, \$10 million for twin engine helicopters, \$2 million for a comprehensive study of INS law enforcement compensation, and \$28 million to enhance INS' ENFORCE database and processing system and add biometric equipment.

INS must balance its resources between its dual responsibilities of facilitating legal travel across our borders - tens of millions of people a year cross our borders - and detecting those who should not be allowed to enter the United States. To facilitate achievement of these goals in the post-September 11th world, our budget requests \$85.9 million to enhance air, sea and land ports-of-entry inspections. These additional resources will enable the INS to hire, train, and deploy 700 additional inspectors to enhance security at air and sea ports-of-entry and 460 inspectors to enhance border security at land ports-of-entry.

The INS Intelligence program provides strategic and tactical intelligence support to INS offices enforcing the provisions of the Immigration and Nationality Act, and assists other federal agencies in addressing national security issues. INS intelligence efforts also support coordination of anti-smuggling/terrorism strategies with the FBI; completion of a U.S.-Canada bilateral common threat assessment among all concerned agencies on border zones' vulnerabilities; and increased automation in the intelligence collection and analysis process. The FY 2003 budget includes an enhancement of 78 positions and \$10 million to expand the INS intelligence program.

In the days following the September 11th terrorist attacks on America, homeland security received a new and urgent emphasis within the law enforcement community, including the INS. To provide the INS with adequate resources to meet this challenge, our budget requests \$6 million to enhance INS' participation in Joint Terrorism Task Forces (JTTF). JTTFs are a critical component of our coordinated law enforcement strategy. This funding will enable INS to enhance its support of the FBI's investigation into the September 11th terrorist attacks. These task forces conduct investigations of other foreign threats to national security and work cooperatively with other federal law enforcement and intelligence agencies, placing particular emphasis on disrupting and dismantling terrorist cells and supporters in the United States by using criminal and administrative tools.

Our budget also seeks resources for additional legal positions to litigate special interest cases involving issues of terrorism, foreign counterintelligence, national security and other sensitive matters, such as cases involving human rights abuses. Special interest cases require multiple levels of coordination throughout the government, and attorneys must frequently work with other law enforcement and intelligence agencies both inside and outside the United States.

To effectively combat the terrorist threat that faces our Nation, the INS must have a sufficient physical and information technology infrastructure to support and protect its employees. To support our facility and security needs, the FY 2003 budget includes an increase of \$145 million for construction and an additional \$13 million and 172 positions for security upgrades. The Department's construction request for INS will provide for the planning, design, and construction of INS facilities along the border. Many of the Border Patrol and Inspection facilities were built prior to the 1970's and cannot accommodate the

tremendous growth in the number of agents. The requested resources for physical security enhancements will allow INS to implement security improvements at 157 locations nationwide based on vulnerability to terrorist attacks and general security requirements.

Our FY 2003 budget also seeks \$83.4 million and 15 positions to expand and upgrade INS computer systems, including desktop computers, network servers, re-engineered data communications and enhanced computer security. INS data communications technology has not kept pace with increased demand. These resources are required to design, build and sustain an information technology infrastructure that can accommodate INS' steadily increasing workload and rapidly growing workforce. An additional \$3.7 million is requested to fund training needs to expand fraudulent document training, curriculum development, materials and incidental expenses related to the Trafficking Victims Protection Act of 2000.

Enhancing the FBI's Counterterrorism Capabilities

As a result of the events of September 11, 2001, the FBI, with the cooperation of other Federal, state, local and international law enforcement, is currently conducting one of the largest criminal investigations in the history of the United States. Because of the support of this Subcommittee and that of Congress, the FBI was provided \$745 million in the FY 2002 Counterterrorism Supplemental appropriation for costs to respond to and investigate the September 11th terrorist attacks, including additional resources for Trilogy (the FBI's information technology upgrade program), the National Infrastructure Protection Center, Computer Analysis Response Teams, intelligence production, technical programs, and other programs. Given that Congress must consider myriad funding priorities, Director Mueller and I are very grateful for these additional resources provided to the Bureau. The men and women of the FBI continue to be on the front line of our Nation's efforts against terrorism, working in concert with other Federal, state and local agencies to prevent additional terrorist attacks and to bring to justice those who commit crimes against our citizens and our interests. The work of the FBI is critical to winning this war.

Timely and useful intelligence is key to preventing terrorist attacks. The FBI's efforts to identify and neutralize terrorist activities require a comprehensive understanding of current and projected terrorist threats. In order to enhance the FBI's counterterrorism programs, our budget seeks \$411.6 million in program improvements, including additional resources to enhance information technology projects, surveillance, intelligence, investigative and response capabilities, the aviation program, and security. Our budget also reflects \$238 million in funding for ongoing activities funded in the FY 2002 Counterterrorism Supplemental appropriation.

For information technology critical to the FBI's efforts to combat the threat of terrorism, our total budget request for the FBI includes an increase of \$109.4 million to support several new and ongoing projects. These resources will support projects such as the FBI's efforts to scan and digitally store 5 million documents related to terrorist groups and organizations, data management and warehousing, collaborative capabilities, information technology support for Legal Attaches, continuity of operations for FBI Headquarters and offsite facilities, state-of-the-art video teleconferencing capabilities and increased staffing and funding to support FBI mainframe data center upgrades. Funding is also sought to

perform necessary maintenance on enterprise-wide legacy systems, applications and the Trilogy network.

The FBI's Information Assurance initiative will unite security policies, procedures, technologies, enforcement, administration, and training into a comprehensive proactive program. Maintaining adequate system security safeguards is critical. Our budget includes \$48.2 million in additional funding for this program. Our budget also seeks an additional \$29.9 million to enhance other security programs at the FBI, including funds for headquarters and field personnel, security training and background investigations of personnel who are granted access to FBI information or facilities, guard services and other items.

The Department's FY 2003 budget requests \$61.8 million in additional funding to enhance the FBI's surveillance capability to collect evidence and intelligence. These resources will enhance both physical and electronic surveillance capabilities and enable automated sharing of information collected as electronic surveillance intelligence and/or evidentiary material.

Our budget also seeks \$46.1 million for the FBI's aviation program to fund personnel, aviation assets and operational support. Resources are also sought to expand several critical components of the FBI's overall counterterrorism program, including \$31.6 million to expand the FBI's response capabilities, \$32.3 million to provide enhanced technical program support, \$21 million to enhance the National Infrastructure Protection and Computer Intrusion Program's ability to respond to computer intrusions and threats, \$7.7 million for additional analytical capacity throughout the FBI, and \$6.4 million for the FBI's Strategic Information and Operations Center and the New York field office's operation center.

The establishment of the Joint Terrorism Task Force (JTTF) program has enhanced the FBI's ability to promote a coordinated effort among FBI field offices and their respective counterparts in Federal, state and local law enforcement agencies in connection with terrorism investigations. Our budget seeks \$15.7 million to support a total of 56 JTTFs throughout the country. Additional resources will fund rental space and renovation of offsite facilities, as well as operational expenses, such as state and local overtime and supplies. To continue support for the FBI's toll-free line for collecting tips from the public on suspected terrorist activities, an additional \$1.5 million is included in our budget request.

Additional Enhancements To Counterterrorism Infrastructure

As accused terrorists are brought to justice in the Federal Court system, there will be a need for enhanced security measures. The United States Marshals Service protects the Federal Courts and ensures the effective operation of the judicial system. To support the heightened security measures at federal courthouses as a result of the September 11th attacks, our budget seeks \$34.7 million to: (1) close security gaps at courthouse facilities which have the greatest physical security deficiencies; (2) provide security equipment for new courthouses and those undergoing significant renovation; (3) provide additional security personnel for terrorist-related court proceedings; and (4) provide security staffing to keep pace with the opening of new courthouses and the creation of new judgeships. To enhance the ability of the U.S. Marshals Service to participate in the FBI's Joint Terrorism Task Force program, we are seeking \$2.4 million in FY 2003. Nine million in additional funding also is being requested to

provide increased security and detainee staffing along the Southwest Border.

Another critical element in our battle plan against the terrorist threat is working to develop and enhance interoperable databases and telecommunications systems for the Department's law enforcement activities. The pooling of information resources capabilities can greatly increase efficiency and decrease the time involved in cases. For these efforts, our budget seeks \$60 million to continue narrowband investment in radio infrastructure for key areas such as New York and along the Northern and Southwest borders. An increase of \$23 million is also requested to continue the development and deployment of the Joint Automated Booking System and a joint fingerprinting system, that integrates INS' IDENT fingerprinting system with the FBI's IAFIS system. To support additional information and anti-terrorism physical security measures at the Drug Enforcement Administration, we are requesting \$24.7 million.

The FY 2003 budget request for the Department seeks \$35 million in the Attorney General's Counterterrorism Fund to reimburse DEA's Special Operations Division for the cost of providing intelligence support to the FBI and other agencies conducting counterterrorism activities. This funding will complement the FBI's own intelligence capacity by providing additional collection and analysis capabilities to fight terrorists. For the Department's Office of Intelligence Policy and Review, \$2 million is requested to address an anticipated increase in Foreign Intelligence Surveillance Act requests. The Department's budget request also includes \$3 million to assess the vulnerability of chemical facilities.

Counterterrorism Coordination in the Department of Justice

Consistent with Section 612 of the Department's FY 2002 Appropriations Act, the President's Budget includes a proposal to enhance coordination of the Department's counterterrorism efforts. Our proposal will consolidate this coordination effort in the Office of the Deputy Attorney General. The budget includes a total of \$2 million to fund a permanent cadre of well-qualified staff to support the Deputy Attorney General in coordinating all Department of Justice efforts to protect the United States against the threat of terrorism. Under the proposal, I have directed the Deputy Attorney General to be the individual responsible for coordinating all functions of the Department of Justice relating to national security, particularly the Department's efforts to combat terrorism directed against the United States. To assist the Deputy Attorney General in this effort, I am also establishing the National Security Coordination Council (NSCC) of the Department of Justice, which will be directed by the Deputy Attorney General. The NSCC will coordinate policy, resource allocation, operations, long-term planning and information sharing. The NSCC will also be a repository of expertise and a forum through which the Deputy Attorney General will be prepared to represent the Department in interagency forums. Mr. Chairman, we are committed to working with you, Congressman Serrano and members of the Subcommittee to strengthen the Department's counterterrorism programs.

Supporting Victims of Crime

The World Trade Center, Pentagon, and Pennsylvania tragedies were moments of indefinable horror and grief for this Nation. Although no amount of assistance can ever begin to compensate the surviving victims of the September 11th tragedies or the families and loved ones, the Department is committed to

using the resources available to help victims and families of those who were physically injured or killed as a result of the terrorist attacks on September 11th. While we can never undo the damage that has been done, this fund will assist thousands of individuals and families in rebuilding lives that were shattered by the indiscriminate evil of terrorism.

Following the September 11th terrorist attacks, Congress passed and the President signed into law the Air Transportation Safety and System Stabilization Act (Act). The Act established the September 11th Victim Compensation Fund of 2001 (Fund) to provide a permanent and indefinite appropriation for making payments on approved claims to personal representatives of deceased individuals and those physically injured as a result of the terrorist-related aircraft crashes that day. The value of approved claims, through 2004, is estimated at \$5.4 billion. Our FY 2003 budget reflects the \$2.7 billion in estimated payments for Victim Compensation payments. In addition, the Department's budget includes a total of \$41 million for the administrative costs of the Fund's Special Master.

For the Department's Crime Victims Fund, we are seeking \$50 million to fully fund the Emergency Terrorism Reserve and to provide \$25 million in additional assistance for the states. The Emergency Terrorism Reserve may be used by the Department to respond to incidents of terrorism and mass violence by providing supplemental grants to states for victim compensation and victim assistance and by providing direct compensation to victims of international terrorism occurring abroad.

Improving Management of Immigration Services and Enforcement

The Administration is committed to building and strengthening an immigration services system that ensures integrity, provides services accurately and efficiently, and emphasizes a culture of respect. The INS is tasked with upholding this commitment and ensuring that resources are used effectively to manage and deliver immigration services. Our restructuring plan for INS will create the organizational structure to support the President's goal of achieving a 6-month average processing time for all applications. Mr. Chairman, I am personally committed to working with you and the Members of the Subcommittee on the INS restructuring proposal so that we may improve benefits processing and strengthen enforcement of our immigration laws. For FY 2003, our budget request seeks \$40 million to begin implementation of the Administration's comprehensive restructuring of the INS. To attain the President's goal of a six-month processing time for all applications, we are also seeking an additional \$50.5 million from fee collections. An additional \$1.5 million is sought to enhance the statistical capabilities of INS' Office of Policy and Planning and to expand the successful Alternatives to Detention program.

For the Executive Office of Immigration Review, the FY 2003 budget seeks an additional \$10 million, including \$800 thousand in redirected resources, to coordinate with INS initiatives, which are anticipated to increase the Immigration Judge caseload and the Board of Immigration Appeals caseload by 27,800 cases.

Managing Increased Federal Detention and Incarceration Capacity

The Department of Justice is charged with the safe, secure, and humane confinement of detained persons awaiting trial, sentencing, immigration proceedings or removal from the United States. The need for federal detention bed space has more than doubled in the last five years, from 32,000 detainees in 1996 to 67,000 detainees in 2001. This dramatic increase has resulted in greater dependence on state and local governments and private contractors to provide bed space for federal detainees. Currently, the INS, U.S. Marshals Service and the Bureau of Prisons are responsible for detaining prisoners. To enhance coordination, manage the rising detainee population, and exercise financial control and efficiency in federal detention operations, the Office of the Detention Trustee was created in the Department of Justice. For FY 2003, our budget proposes to consolidate \$1.4 billion under the Detention Trustee to provide bed space for the anticipated detainee population in the custody of the U.S. Marshals Service and the INS. Our budget seeks an increase of \$95.6 million for the Department's detention programs. Total funding includes resources to accommodate detention space for housing INS detainees, to house U.S. Marshal detainees, and to fund the increase in the oversight capabilities of the Office of the Detention Trustee.

For the Bureau of Prisons, our FY 2003 budget seeks \$348.3 million for additional prison activation and completion of previously authorized construction projects. Specifically, \$206 million is included to continue construction of a medium security facility, a secure female facility, and to expand three other facilities. For additional prison activations and an institutional population adjustment, \$142.3 million is included in our FY 2003 budget. This additional funding will provide resources to activate four new facilities, including Federal Correctional Institution (FCI) - Glenville, West Virginia, United States Penitentiary (USP)- Big Sandy, Kentucky, USP-McCreary County, Kentucky, and USP-Victorville, California, and to expand USP Marion, Illinois and FCI Safford, Arizona. These facilities will add over 5,000 critically needed beds to reduce overcrowding.

Reducing the Availability of Illegal Drugs and Supporting Proven Programs Aimed at Reducing Drug Use

Today, more than ever, drug enforcement can play a critical role in protecting our national security by starving the financial base of criminal organizations and depriving them of the drug proceeds that may be used to fund terrorist activities. Drugs not only weaken the fabric of our society, but also threaten our national security. The recent attacks perpetrated on our Nation illustrate the connection between drug trafficking and terrorist attacks. In Afghanistan, the Taliban, which controlled opium production and directly taxed the drug trade, opened its doors to Osama Bin Laden and the al Qaeda organization. Drug trafficking provides terrorists a steady source of resources to finance their operations. Our budget includes a \$17.4 million resource reprogramming proposal, utilizing prior year resources available to DEA, to implement an Afghanistan Initiative, Operation Containment, that will employ a multi-faceted approach to identify, target, investigate, disrupt and dismantle transnational heroin trafficking organizations in Central Asia. The established link between the proceeds generated from the sale of Afghan heroin and terrorist activities makes combating heroin production in Central Asia critical to the security of the United States.

The Organized Crime Drug Enforcement Task Force (OCDETF) program is the centerpiece of the Department's drug strategy to reduce the availability of drugs. OCDETF combines the talent of experienced federal agents and prosecutors with support from state and local law enforcement, thereby uniquely positioning OCDETF to conduct multiple coordinated investigations across the country to root out and eliminate all pieces of major drug organizations. For FY 2003, our budget seeks an increase of \$14.8 million through OCDETF to provide field support for DEA's Special Operations Division coordinated investigations. This funding will enhance OCDETF's ability to conduct complex, multi-district investigations developed from Special Operations Division intelligence and coordination. These resources will be used by DEA and the Department's Criminal Division; and will also be used to fund state and local overtime.

DEA conducts financial investigations to detect and disrupt the international and domestic flow of illicit money. To support these financial investigations and enhance regulatory and cooperative and public-private efforts to prevent money laundering, our FY 2003 budget proposes a program improvement of \$4.1 million. For FY 2003, we are also seeking \$24.6 million for DEA's Diversion Control program. These resources will be used to strengthen DEA's enforcement capabilities to prevent, detect, and investigate the diversion of controlled substances, particularly OxyContin[®]. Increasing abuse of OxyContin[®] has led to an increase of associated criminal activity.

The Department's FY 2003 budget also seeks \$13 million for drug abuse and crime programs under the Office of Justice Programs. Specifically, we are seeking \$4 million to expand the Arrestee Drug Abuse Monitoring (ADAM) program to 10 additional sites. The ADAM program is the only federally funded drug use prevalence program that directly addresses the relationship between illicit drug use and criminal behavior. ADAM data assist practitioners and policy makers in understanding, anticipating and responding to their community's changing drug problems. Our budget also includes \$52 million for the Drug Courts Program, a \$2 million increase, and \$77 million in funding for the Residential Substance Abuse Treatment Program, a 10 percent increase in funding over FY 2002.

Advancing Civil Rights

Essential to our republic is the right of every citizen, from every walk of life, to be treated equally under the law. This includes every citizen's right to vote. The Federal Government has become an active participant in establishing rules for the conduct of elections on matters ranging from voter registration to protection against discrimination.

In FY 2003, the Department requests \$400 million for a new three-year program (totaling \$1.2 billion) to improve state and local jurisdiction's voting technologies and administration, including voting machines, registration systems, voter education, and poll worker training. This new program will provide states with matching grants for election reform. This proposal is consistent with the recommendations of the National Commission on Federal Electoral Reform headed by former Presidents Ford and Carter. The Office of Justice Programs (OJP) will have primary responsibility for administering the program, in consultation with the Department of Commerce's National Institute of Standards and Technology, which

will provide expertise on voluntary technical standards.

Our budget seeks \$2.8 million to promote effective investigation, prosecution, and response to hate crimes. This amount includes \$1.5 million to study the effect of hate crime legislation by examining 6 sites that have hate crime laws and 8 with little or no such legislation; and \$1.3 million to develop and provide hate crimes awareness training and technical assistance, and to disseminate successful program strategies. Our FY 2003 budget also seeks \$3 million for the Office of the Inspector General to address a statutory requirement in the USA PATRIOT Act requiring the review of complaints alleging abuses of civil rights and liberties, and to provide audit oversight for the Department's counterterrorism programs.

Enhancing the Department's Legal Activities

The Department of Justice is often described as the largest law office in the Nation. We serve as counsel for the citizens of this Nation and represent them in enforcing the law in the public interest. For FY 2003, our budget seeks \$32.5 million for the Civil Division to increase its use of automated litigation support (ALS) services to successfully resolve extraordinarily large and document-intensive cases. ALS is an indispensable method of managing millions of pages of documents, performing electronic discovery, executing court-ordered trial presentation systems, and generating real-time transcripts. In addition, to address the burgeoning defensive docket in United States Attorneys Offices, our budget seeks an additional \$2 million. These resources are necessary to adequately defend the government from unwarranted claims and to fairly resolve meritorious claims. Our budget requests an additional \$11 million to complete the third and final phase of the overall telecommunications convergence initiative in United States Attorneys Offices throughout the Nation: implementing Internet Protocol telephony. This convergence will enable the U.S. Attorneys to encrypt all transmissions, share resources and use telecommunications bandwidth more effectively, and reduce overall operating and maintenance by establishing a common, standardized telecommunications infrastructure.

For the United States Trustee Program (USTP), we are proposing an additional \$6.3 million from fee collections. Specifically, our budget requests \$5.8 million to enable USTP to develop systems to more effectively uncover material misstatements in bankruptcy schedules and statements of financial affairs. An increase of \$500,000 is requested to establish a pilot program and curriculum to provide personal financial management instructions.

Streamlining Assistance Available to State and Local Law Enforcement

The FY 2003 budget proposes a refocusing of spending directed toward state and local assistance. This budget refocuses and redirects funding toward core Federal counterterrorism prevention and investigations. Between last year's appropriation and next year's budget proposal, discretionary spending on Federal law enforcement grows almost 19 percent. Meanwhile, the Administration also refocuses and redirects state and local assistance; although funding through the Department of Justice decreases, the President's budget includes new funding for first responder preparedness through the Federal Emergency Management Agency.

For FY 2003, we propose a new \$800 million program, the Justice Assistance Grants Program (JAGP), that consolidates the Local Law Enforcement Block Grant (LLEBG) and the Byrne Formula Grant Program into a single grant program under the Community Oriented Policing Services (COPS) program. Consequently, we are proposing to eliminate the LLEBG and Byrne Programs in their current form. The consolidation of these two programs should result in a simplified application process for participating state and local governments, and greater flexibility for local law enforcement agencies in the use of block grant funds. States may use these resources for statewide initiatives, technical assistance and training, and support for rural jurisdictions in the areas of enforcement, prosecution and court programs, prevention programs, corrections programs and treatment programs. Local funding may also be used for these purposes and can be combined with funding from other jurisdictions to form regional projects. This program also includes \$15 million to facilitate the USA Freedom Corps by encouraging citizen participation in law enforcement, community safety and terrorism preparedness; and \$60 million for the Boys and Girls Clubs.

Also, within COPSs, we are seeking \$65.6 million in targeted assistance to police departments. This amount includes an increase of \$15.6 million for the Police Corps, a scholarship and training program designed to improve local police response to violent crime by increasing the number of officers on the beat with advanced education and training. It also includes a total of \$50 million for COPS Technology Grants. To improve the mechanisms for ensuring state court-based data are properly transferred to the criminal record, we are seeking an additional \$25 million. These resources will enhance the capability of the FBI's National Instant Check System to provide immediate feedback. Our budget also seeks an increase of \$6.1 million to expand the Internet Crimes Against Children Task Force Program by establishing a regional task force in at least 40 states and expanding capacity-building activities through research, training and technical assistance.

The FY 2003 budget provides over \$3.2 billion for state and local law enforcement grant programs. However, it also prioritizes scarce federal resources and includes proposed reductions and eliminations of some of the current grant programs. Reductions are made primarily in the following areas: 1) Byrne Discretionary and Formula grants; 2) Local Law Enforcement Block Grant; and 3) State Criminal Alien Assistance Program.

Other Important Activities

Our budget seeks \$48.5 million to enhance several items of critical importance to the Department. Specifically, we are seeking \$36.5 million to enhance various FBI data management and warehousing techniques and to provide new administrative support and financial systems. Additionally, \$10 million is sought to begin planning and initial deployment of a new Departmental Financial Management System. This funding will provide much needed resources to address financial system material weaknesses cited by the Department's auditors. For the FBI, our budget also seeks \$867 thousand for the Federal Convicted Offender Program to manage and type federal convicted offender DNA samples, purchase equipment, and fund miscellaneous expenses related to this effort. The DNA Analysis Backlog Elimination Act of 2000 authorizes the FBI to collect DNA samples from individuals

convicted of qualifying offenses. The USA PATRIOT Act of 2001 expands the list of qualifying offenses to include terrorism-related offenses and other crimes of violence.

Conclusion

Chairman Wolf, Congressman Serrano, Members of the Subcommittee, I have outlined for you today the principal focus of President Bush's FY 2003 budget request for the Department of Justice. I look forward to working with you on this budget proposal and other issues.

Thank you. I would be pleased to answer any questions you might have.